

Senator Cardin's County and Municipal Governments Guide to CARES Act Funding

K-12 Education – \$16.5 billion available nationwide

What can the allocated funding be used for? The CARES Act provides for a total of \$16.5 billion for K-12 education through two programs, the Elementary and Secondary School Emergency Relief Fund and the Governor's Emergency Education Relief Fund. Together, the funding will allow local school districts to for coronavirus-response activities, such as planning for and coordinating during long-term school closures; purchasing educational technology to support online learning for all students served by the local educational agency; and additional activities authorized by federal elementary and secondary education laws.

What is the formula for state, county and city assistance? Of the two funds available, Elementary and Secondary School Emergency Relief Fund is primarily based on the number of low-income (Title 1) students a school district has, in addition to the total share of the state population of students. Every school district will get funding under this fund. The Governor's Emergency Education Relief Fund provides discretion for the Governor to identify and award funding to the most significantly impacted local school systems. Since this funding is up to the Governor's discretion, there is a potential that not every local school system in the state receives funding.

How much funding will Maryland receive? Overall, Maryland will receive \$253,515,000, with \$207,834,000 provided directly to local school systems under the Elementary and Secondary School Emergency Relief Fund and \$45,681,000 directed to the Governor's Emergency Education Relief Fund. Local school district shares have yet to be made available for the Elementary and Secondary Emergency Relief Fund. ***This section will be updated as additional state and local share information becomes available.***

How can a state, territory, or local government unit apply and when can we expect funding? The Department of Education will make the funds available within 30 days. The Maryland State Department of Education must submit an application to obtain the \$207,834,000 from the Elementary and Secondary School Emergency Relief Fund, the Governor must also submit his own application to receive the \$45,681,000 from the Governor's Emergency Education Relief Fund.

Does the CARES Act provide any special flexibility or specific conditions for utilizing this funding? Yes. Local school districts have expanded allowable uses for the federal funding they will receive under the Elementary and Secondary School Emergency Relief Fund.

Higher Education Relief Fund – \$14.25 billion available nationwide

What can the allocated funding be used for? Higher Education Relief Funds may be used to defray expenses for institutions of higher education, such as lost revenue, technology costs associated with a transition to distance education, and grants to students for food, housing, course materials, technology, health care, and child care. 50 percent of funds received by an institution will be utilized to cover any costs associated with the changes to delivery of instruction, such as online learning, due to COVID-19. The other 50 percent shall be used to provide emergency financial aid grants to students for expenses related to the disruption of campus operations due to COVID-19. For state and local governments, this federal funding will help to backfill some of the expenses that local community colleges and public University System of Maryland schools have undertaken as a result of COVID-19 to send students home and move to online learning platforms for the rest of the semester, in turn, alleviating pressure on state and local government budgets that provide significant portions of funding for the institutions.

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What is the formula for distribution? Funds will be distributed under a new formula, with \$12.825 billion distributed to every college in the country. The formula will allocate significant weight to schools that educate higher percentages of low-income Federal Pell Grant recipients and schools with significant populations of students. In addition, \$1.068 billion is reserved in additional funding for Historically Black Colleges and Universities (HBCUs) and Minority Serving Institutions (MSIs).

How much funding will Maryland receive? Every institution of higher education in Maryland, including community colleges, public University System of Maryland colleges, private non-profit colleges, and for-profit colleges in the state will receive funding under this bill. Under the special allocation for HBCUs and MSIs, Baltimore City Community College, Prince George's Community College, Bowie State University, Coppin State University, Morgan State University, and the University of Maryland Eastern Shore will receive supplemental funding. Due to the complexity of the formula, the Department of Education has not yet released data on the overall amount of relief that will be provided to Maryland colleges or the amount each college will receive. ***This section will be updated as additional state and college share information becomes available.***

How can an institution of higher education apply and when can we expect funding? The Department of Education will automatically award these funds to institutions of higher education.

Does the CARES Act provide any special flexibility or specific conditions for utilizing this funding? Yes. No funds shall be used to pay for athletic recruitment activities, bolster endowments, or provide capital outlays associated to facilities related to athletics.